

VZCZCXRO2807  
RR RUEHIK  
DE RUEHAS #0903/01 2790733  
ZNR UUUUU ZZH  
R 060733Z OCT 09 ZDS  
FM AMEMBASSY ALGIERS  
TO RUEHC/SECSTATE WASHDC 7967  
INFO RUCNMEM/EU MEMBER STATES COLLECTIVE  
RUCNMGH/MAGHREB COLLECTIVE  
RUCNWTO/WORLD TRADE ORGANIZATION COLLECTIVE  
RUEHDE/AMCONSUL DUBAI 0032  
RUCPDOG/DEPT OF COMMERCE WASHDC  
RUEATRS/DEPT OF TREASURY WASHDC  
RHEBAAA/DEPT OF ENERGY WASHDC

UNCLAS SECTION 01 OF 02 ALGIERS 000903

SIPDIS  
SENSITIVE

STATE PASS TO USTR PBURKHEAD

E.O. 12958: N/A  
TAGS: [ECON](#) [EFIN](#) [ETRD](#) [PGOV](#) [PREL](#) [AG](#) [US](#) [KPAO](#)  
SUBJECT: ALGIERS MEDIA REACTION TO USTR PAUL BURKHEAD'S  
VISIT

REF: A) ALGIERS 887 B) ALGIERS 888 C) ALGIERS 889 D)  
ALGIERS 890 E) ALGIERS 900

ALGIERS 00000903 001.4 OF 002

#### SUMMARY

-----  
11. (U) On September 27-28, Paul Burkhead, Director of European and Middle Eastern Trade Affairs at the Office of the U.S. Trade Representative, visited Algiers to meet with senior officials in the GOA and key private sector stakeholders to explore areas of potential cooperation in international trade agreements. Coverage of Burkhead's press conference at the end of his visit was extensive, largely factual, and consistent with both his statements and previous USG positions on the Algerian commercial climate, despite some inflammatory headlines. Government owned newspapers lauded the strong U.S./Algerian business partnership. Typically conservative Arabic papers noted USG support for Algeria's accession to the WTO, and Algeria's importance to the U.S. as a trading partner. A few editorials denounced his criticisms as interference in Algerian internal affairs. Coverage highlighted the concerns of U.S. companies and deficiencies in the Algerian business climate, urging the GOA to conform to international standards to attract more foreign investment. They also underscored that the USG was joining the chorus of criticism already started by mostly European investors, diplomats, and trading partners. What critical coverage there was grew out of acute Algerian sensitivity to the perception of foreign interference in Algerian policy.  
END SUMMARY

#### PRESS CONFERENCE

-----  
12. (U) On September 27-28, Paul Burkhead, Director of European and Middle Eastern Trade Affairs at the Office of the U.S. Trade Representative, visited Algiers to meet with senior officials in the GOA and key private sector stakeholders to discuss U.S.-Algerian trade and investment relations and the effect of recent Algerian legislation on U.S. trade and investment. The Embassy hosted a press conference at the end of his visit; nine major Algerian media outlets were invited, including the Algerian Press Service (APS). At the conference, Burkhead emphasized the desire of the USG to expand commercial ties with Algeria, and discussed the many potential benefits for Algeria in accession to the WTO. He expressed concerns over some provisions in the recent Complementary Finance Law 2009 (CFL2009), but said that Algerian officials had been very supportive of further constructive dialog to address the needs of the business

community, and to foster growth and stronger trade between our nations. (Burkhead's official discussions reported septel notal)

#### COVERAGE

13. (U) Press coverage was extensive, largely factual, and consistent with both Burkhead's statements and previous USG positions on the Algerian commercial climate, despite some inflammatory headlines. While the private newspapers Liberte, El Watan, and El Khabar highlighted the concerns of U.S. companies about the CFL2009, most picked up the report released by the APS, which addressed a comprehensive range of issues discussed during the conference and adopted a more balanced position underscoring:

- USG willingness to maintain and develop U.S.-Algerian business ties;
- Significant Algerian investment opportunities;
- U.S. companies' concerns about the CFL2009;
- USG support for Algeria's accession to the WTO; and
- The importance of the Maghreb's integration into the global economy.

14. (U) The government-owned newspapers, El Massa and El Moudjahid, lauded the strong U.S.-Algerian business partnership. This positive line reflects what has generally been a tendency of government-owned papers to highlight the fundamental strength of the U.S.-Algerian relationship.

15. (U) Ironically, the frequently anti-American, Islamic-leaning paper Echourouk El Youmi, which has the largest circulation of any newspaper in Algeria, focused on Burkhead's statements about Algeria's economic promise, while other typically conservative Arabic papers emphasized USG

ALGIERS 00000903 002.4 OF 002

support for Algeria's accession to the WTO, and Algeria's importance to the U.S. as a trading partner.

16. (U) Editorials in Liberte and El Watan denounced Burkhead's criticisms, leading with such headlines as, "WashingtonQ,s Reproaches" (Liberte), "Westerners Apply Pressure," (El Watan) and, "Sovereignty Put to the Test" (insert name of paper). Some accused the USG of "insolence" and interfering in Algeria's affairs (in concert with Europeans) and neglecting non-hydrocarbon sectors of the Algerian economy. These editorials reflected an acute sensitivity to the idea of foreign powers attempting to influence Algerian decisions. The editorials objected less to the content of Burkhead's statements than to the notion of U.S. officials commenting on Algerian policy, as if such comments in and of themselves constituted interference. However, they also used the USTR visit to criticize what they see as weak leadership in the GOA, hailing Burkhead's candor on the CFL2009: "At least he (Burkhead) was clear." (El Watan)

17. (SBU) Liberte is owned by Issad Rebrab, an Algerian businessman who has been a vocal supporter of the CFL2009. Embassy sources inside the paper inform us that they were pressured to condemn the USG position. In a private conversation with another journalist from a leading French-language paper, we were told that the Finance Ministry had refused to comment on Burkhead's statements.

18. (U) Other papers, such as l'Expression, Algerie News, and Le Soir d'Algerie, chose to focus on deficiencies in the Algerian business climate and urged the GOA to conform to international standards to attract more foreign direct investment. It should be noted that the majority of commentaries emphasized the idea that the USG was joining the chorus of criticism already started by mostly European investors, diplomats, and trading partners. By the third day following Burkhead's visit, the story had all but disappeared from the Algerian press, except for Workers Party leader Louisa HanounQ,s denunciation of Western "blackmail".

COMMENT

-----  
¶9. (SBU) The Algerian government and public tend to bridle quickly at any perceived foreign criticism of Algerian policy, so a degree of negative and inflammatory coverage was no surprise. Some of the press obviously chose to use selected statements from Burkhead to advance their own editorial agendas. By contrast, it is also worth noting that some publications, especially those closest to the government, made an equally obvious choice not to overdramatize BurkheadQ,s remarks. The Algerian press itself has generally and consistently complained of a serious malaise afflicting the local economy in the wake of the CFL2009, reflecting the sentiments of many ordinary Algerians, in addition to domestic and foreign businesses.  
END COMMENT

¶10. (U) Tripoli minimized considered.  
PEARCE